MINUTES

COMMISSION MEETING

October 8, 2004

The New Hampshire Public Utilities Commission Meeting began at 3:34 P.M. on Friday, October 8, 2004. Chairman Thomas B. Getz, and Commissioner Graham J. Morrison were present. Also present were the Division Heads, or their designees. The following matters were discussed.

1. Approval of the September 30, 2004 Commission Meeting Minutes

A motion was made by Commissioner Morrison and seconded by Chairman Getz adopting the minutes of the September 30, 2004 Commission Meeting.

2. DW 04-048; City of Nashua (Petition for Valuation Pursuant to RSA 38:9)

Chairman Getz announced the issuance of Order No. 24,379 which was issued on October 1, 2004, approving a Pre-Hearing Conference scheduled for November 10, 2004.

3. DT 04-012; Southwestern Bell Communications Services, Inc. d/b/a SBC Long Distance (Petition for Authority to Provide Facilities Based Local Telecommunications Services)

Chairman Getz announced the issuance of Order Nisi No. 24,380 which was issued on October 6, 2004. The Order Grants Authorization.

4. DE 04-071; Public Service Company of New Hampshire (Stranded Cost Recovery Charge 2003 Reconciliation)

A motion was made by Commissioner Morrison and seconded by Chairman Getz ratifying the October 4, 2004 secretarial letter stating that the hearing will commence at 11:00 a.m. on October 7, 2004.

5. DW 04-020; Fryeburg Water Company (Investigation Into Water Quality)

A motion was made by Commissioner Morrison and seconded by Chairman Getz ratifying the October 5, 2004 secretarial letter which scheduled a hearing for November 3, 2004 at 9:00 a.m.

6. DW 03-144; Consolidated Water Company (Investigation Into Quality of Service at the Birch Hill Water System)

A motion was made by Commissioner Morrison and seconded by Chairman Getz ratifying the October 5, 2004 secretarial letter which granted a request for late intervention.

7. DW 04-001; Atkinson Woods Water, LLC. (Petition for Financing Approval and Rates)

A motion was made by Commissioner Morrison and seconded by Chairman Getz ratifying the October 5, 2004 secretarial letter which scheduled a hearing on the merits for October 20, 2004 at 2:00 p.m.

8. DG 04-152; EnergyNorth Natural Gas, Inc.
d/b/a KeySpan Energy Delivery New England,
2004/2005 Winter Cost of Gas/Fixed Price Option
(Scheduling of Hearing on the Merits)

A motion was made by Commissioner Morrison and seconded by Chairman Getz ratifying the October 6, 2004 secretarial letter which scheduled a Hearing on the Merits for October 8, 2004 at 1:00 p.m.

9. DT 04-099; Trans National Communications International, Inc. (Petition for Authority to Provide Facilities Based Local Telecommunications Services)

A motion was made by Commissioner Morrison and seconded by Chairman Getz to issue an Order <u>Nisi</u> Granting Authorization.

10. DT 04-164; Hollis Telephone Company DT 04-165; Wilton Telephone Company

DT 04-166; Merrimack County Telephone Company

DT 04-167; Kearsarge Telephone Company

(Tariff Filings Introducing Total Talk Bundle)

A motion was made by Commissioner Morrison and seconded by Chairman Getz to issue an Order <u>Nisi</u> Granting Approval of Proposed Tariff Filings.

11. DRM 04-109; Rulemaking, Puc 1200, Administration of Uniform Utility Relations (Readoption with Amendment)

Chairman Getz announced that on September 30, 2004, the Joint Legislative Commission on Administrative Rules entered a preliminary objection to the Commission's final proposal regarding Chapter 1200. In response, changes have been made to the rules addressing the JLCAR staff annotations that form the basis of the preliminary objection.

Chairman Getz moved to approve the resulting preliminary objection response and Commissioner Morrison seconded.

12. New Business

A. DT 04-152; EnergyNorth Natural Gas, Inc. (Cost of Gas Fixed Priced Option Filing)

Chairman Getz stated that on September 1, 2004, KeySpan filed with the Commission its proposed Cost of Gas (COG) rate for the period of November, 1, 2004 through April 30, 2004. It later filed on September 15, 2004 its proposed 2004/2005 Winter Fixed Price option. The proposed Cost of Gas rate was approximately 89¢ and the proposed Fixed Price Option rate was 85¢.

On October 6, 2004, KeySpan filed a joint recommendation with Staff and the Consumer Advocate to revise the calculation of the FPO rate. The filing expressed the concern by the Consumer Advocate that setting the FPO rate below the initial Cost of Gas rate would give customers an inappropriate price signal and would likely lead to a significant oversubscription of the program. The filing recommended that the FPO rate for the 2004/2005 Winter should be set one cent per therm above the proposed Cost of Gas rate.

Chairman Getz stated that, inasmuch as the proposal results in a reasonable rate relationship between the Cost of Gas Rate and the FPO rate, the end result is consistent with the intent of previous orders on the subject matter.

Chairman Getz moved to approve the parties request as filed and Commissioner Morrison seconded.

B. DE 00-080; Public Service Company of New Hampshire (PSNH) (Integrated Least Cost Transmission Plan for 2000)

A motion was made by Commissioner Morrison and seconded by Chairman Getz to approve the Order Approving 2000 Integrated Least Cost Transmission Plan.

C. DT 04-153; Dunbarton Telephone Company (Petition for Authority to Refinance Outstanding Debt)

A motion was made by Commissioner Morrison and seconded by Chairman Getz to issue an Order <u>Nisi</u> Granting Authority to Refinance Outstanding Debt.

13. Miscellaneous Administrative Matters

Chairman Getz announced that the next Commission meeting would be held on Tuesday, October 19, 2004 at 3:30 P.M.

A motion was made by Commissioner Morrison and seconded by Chairman Getz to adjourn this meeting. The meeting, therefore, adjourned at 3:45 P.M.